

Agreement Between

City of Lauderhill

And

Lauderhill Housing Authority

This Agreement, made and entered into by and between:

CITY OF LAUDERHILL, a political subdivision of the State of Florida, hereinafter referred to as "CITY,"

AND

LAUDERHILL HOUSING AUTHORITY, a public body, created and existing under the laws of the state of Florida, hereinafter referred to as "LHA."

WHEREAS, the LAUDERHILL HOUSING AUTHORITY was established by City Commission action in November 2002; and

WHEREAS, after its creation, the LHA made application to the U.S Department of Housing and Urban Development (HUD) to obtain a voucher number in order to own, operate and manage housing units in the City of Lauderhill; and

WHEREAS, despite countless request and other efforts, the LHA has not been granted a voucher by HUD; and

WHEREAS, in an effort to assist the LHA, the CITY acquired various real estate in the city and transferred said real estate to the LHA; and

WHEREAS, the LHA also requested and obtained loans from the Police Pension Fund, the Fire Fighters Pension Fund and the General Employee's Pension fund in order to make loans for residential home purchases and to hold mortgages; and

WHEREAS, CITY and LHA both agree that the purpose and intent of this agreement is to outline terms, conditions and methods for LHA to repay funds to the CITY and all pension plans; and

WHEREAS, it is the purpose and intent of the parties to this Agreement, to permit CITY and LHA to make the most efficient use of their respective powers, resources and capabilities in order to cooperate with each other in order to meet the objectives of each party; and

WHEREAS, CITY and LHA desire to enter into a cooperative agreement regarding the payment, loan assignment and conveyance of real property.

NOW, THEREFORE, the Recitals stated above are true and correct and are made a part of this agreement.

IN CONSIDERATION of the mutual terms, conditions, promises, covenants and payments hereinafter set forth, CITY and LHA agree as follows:

ARTICLE 1
LHA PENSION NOTES AND OBLIGATIONS TO THE CITY

- 1.1 Over the course years, the LHA requested and obtained loans from the General Employee's Pension Plan, the Confidential and Managerial Pension Plan, the Fire Pension Plan and two loans from the Police Pension Plan (hereinafter Pension Plans). The terms and amount due for each pension plan loan is attached hereto and incorporated by reference as Composite Exhibit A.
- 1.2 Over a course of years, the LHA used funds provided by the Pension Plans to issue residential home mortgages to city employees. The folios for the residential mortgages currently held by the LHA are attached hereto and incorporated by reference as Exhibit B.
- 1.3 Over the course of years, the LHA received financial support from the City such as startup cost, loans to purchase real estate, and loans for legal fees, all as evidenced by City Commission Resolutions, attached hereto and incorporated by reference as Composite Exhibit C.

ARTICLE 2
VALUATION OF ASSETS PURCHASED WITH PENSION FUNDS

- 2.1 As of the date of this agreement, LHA owns and controls three classes of real estate:
 - A. (34) Condominium Units
 - B. (13) Vacant Property
 - C. (10) Residential Home Mortgages
- 2.2 The total market value of all real estate owned and controlled by LHA as assessed by the Broward County Property Appraiser on the date of this agreement is \$3,589,200.
- 2.3 The total amount of outstanding mortgages owned and controlled by the LHA on the date of this agreement is \$1,318,965.

ARTICLE 3
REPAYMENT PLAN

3.1 CITY and LHA agree as follows:

- A. As consideration for all pension loans, direct and financial assistance provided by the CITY, the LHA shall repay the CITY \$5,000,000.00. The outstanding principle shall bear interest at three percent (3%) annually. The full outstanding principle shall be due in thirty years from the date of the execution of this agreement.
- B. In order to satisfy the obligations to the Pension Plans and the City, LHA shall make annual payments to the CITY of \$200,000.00. Payment shall be made quarterly on an installment basis. The first payment of \$50,000.00 shall be due April 1, 2020. Subsequent payments shall be due each quarter on July 1, October 1, and January 1.
- C. The LHA shall continue to hold the mortgages issued to employees. However, in each instance that a residential property subject to a mortgage is sold or refinanced, LHA shall pay the full net proceeds to the City within 30 days after the closing date. Furthermore, within 30 days after this agreement is executed by the parties, LHA shall take any and all actions necessary to assign the remaining obligations on the Pension Notes to the City.
- D. The LHA shall continue to own and operate the thirty-two (32) condominium units. However, as security for, and to protect the CITYS interest, the CITY shall execute and record a promissory note and mortgage on all condominium properties owned by LHA. The promissory note and mortgage shall be in a form similar to Exhibit D, attached hereto and incorporated by reference. When LHA sales any condominium unit, the LHA shall pay the City forty-five thousand dollars (\$45,000.00) within 15 days after the closing date. The full payment of \$45,000.00 shall be applied towards outstanding principal. LHA agrees not to obtain any other financing secured in any way by the thirty-two condominium units described above without the express written consent and approval of City.
- E. LHA owns two condominium units in Devonhunt. Within 30 days after this agreement is signed by the parties, LHA shall transfer all right, title and interest to the two units in Devonhunt to the City. The addresses for the two condominium units are attached hereto and incorporated by reference as Exhibit E. LHA shall continue to operate and maintain the units after the transfer of title to the City.
- F. LHA owns thirteen vacant parcels of real property located within the City of Lauderhill. Within 30 days after this agreement is signed by the parties, LHA shall transfer all right, title and interest to all vacant real property to the City. The addresses for the vacant real properties are attached hereto and incorporated by reference as Exhibit F. It is the intent of the City to design and construct single family homes on the thirteen vacant parcels. Once each home is sold, the LHA shall receive a credit of \$15,000.00. The credit of \$15,000.00 shall be applied towards outstanding principal.

ARTICLE 4
DEFAULT

4.1 The occurrence of any one or more of the following events shall constitute an event of default:

- A. Any representation or warranty made by either party in connection with this agreement that proves to be false or misleading in any material way.
- B. Failure to pay any amount due pursuant to this agreement, and the failure to pay continues for ten (10) days after receipt of written notice from the CITY.

ARTICLE 5
REMEDIES UPON DEFAULT

5.1 Should any one or more events of default occur, CITY shall have the right to accelerate the principal balance due and shall have the right to enforce collection of the entire indebtedness, including principal, interest, cost and fees. Failure to declare a default, or a failure or withholding of any action to enforce collection, shall not constitute or be deemed a waiver of any such event of default by the CITY. Any waiver by CITY of a default shall not be construed and shall not constitute a waiver of any other or subsequent default.

5.2 All remedies and enforcement rights of the City shall be cumulative, and may be pursued separately or together against LHA, and CITY may use any one or more of the remedies provided under this agreement.

ARTICLE 6
MISCELLANEOUS

6.1 Effective Date: The effective date shall mean the date upon which the last party to the agreement has executed the same in accordance with the formalities imposed upon such party by Florida law.

6.2 Joint Preparation: The preparation of this Agreement has been a joint effort of the parties hereto and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other.

6.3 Entire Agreement and Modification: This Agreement incorporates, supersedes and includes all prior negotiations, correspondence, conversations, agreements or understanding applicable to the matter contained herein. It is further agreed that no change, alteration or modification in the terms and conditions contained herein shall be effective unless contained in a written document executed with the same formality and of equal dignity herewith.

6.4 Records: In accordance with the Public Records Law, LHA agrees to permit City to examine all records and grants City the right to audit any books, documents and papers that were generated during the course of administration of the Site. LHA shall maintain the records, books, documents and papers associated with this Agreement for at least five (5) years following execution of this Agreement. The public shall be provided access to records in the same manner that the City fulfills access all public records request. LHA shall preserve and make available for inspection by city personnel, or agents duly authorized by the City, computer data and other records related to this agreement.

6.5 Notices: Whenever either party desires to give notice unto the other, such notice must be in writing, sent by certified United States mail, return receipt requested, addressed to the party for whom it is intended at the place last specified; and the place for giving of notice shall remain such until it shall have been changed by written notice in compliance with the provisions of this paragraph. For the present, the parties designate the following as the respective places for giving of notice:

FOR CITY:

City Manager
City of Lauderhill
5581 W. Oakland Park Blvd.
Lauderhill, FL 33313

WITH A COPY TO:

City Attorney
8850 W. Oakland Park Blvd., Suite 101
Sunrise, FL 33351

FOR LHA:

Executive Director
5417 NW 18th Court
Lauderhill, FL 33313

WITH A COPY TO:

LHA Legal Counsel
7101 W. commercial Boulevards, Suite 4A
Tamarac, FL 33319

6.6 Choice of Law; Waiver of Jury Trial: Any controversies or legal problems arising out of this transaction and any action involving the enforcement or interpretation of any rights hereunder shall be submitted to the jurisdiction of the State courts of the Seventeenth Judicial Circuit of Broward, Florida, the venue situs, and shall be governed by the laws of the State of Florida. To encourage prompt and equitable

resolution of any litigation that may arise hereunder, each party hereby waives any rights it may have to a trial by jury of any such litigation.

6.7 Financial Reporting Requirements: LHA shall submit a Financial Statement (Balance Sheet and Income Statement) on an annual basis, beginning with fiscal year end 2019. The Financial Statement shall be delivered to City no later than April 1 annually.

6.8 Counterpart Originals: The parties agree that this Agreement may be executed in counterparts, and that collectively the counterparts shall be considered an original agreement and shall be deemed legally sufficient and binding upon the parties.

IN WITNESS WHEREOF, the parties hereto have made and agreed to mutually abide by the covenants contained within this Agreement as written. The parties hereto have caused this Agreement to be signed by their duly authorized officers.

CITY OF LAUDERHILL, a municipal corporation

By _____
Desorae Giles-Smith, Interim City Manager

_____ day of _____ 2020

Approved as to form by:

W. Earl Hall
City Attorney, City of Lauderhill

Lauderhill Housing Authority, an Agency of Municipal Government

By _____
Executive Director

_____ day of _____ 2020

Approved as to form by:

General Counsel, Lauderhill Housing Authority

COMPOSITE EXHIBIT A

Pension Notes

EXHIBIT B

Folios for Residential Mortgages

COMPOSITE EXHIBIT C

City Commission Resolutions

COMPOSITE EXHIBIT D

Promissory Note and Mortgage

EXHIBIT E

Devonhunt Condominiums

- 1.
- 2.

EXHIBIT F

Vacant Real Property

1. 5201 NW 18th Manors- 2 lots
2. 5209 NW 18th Manors- 2 lots
3. 2241 NW 59th Avenue
4. 2249 NW 59th Avenue
5. 2257 NW 59th Avenue
6. 5730 NW 28th Place
7. 5740 NW 28th Street
8. 5800 NW 28th Street
9. 5810 NW 28th Street
10. 5216 NW 18th Place
11. 5416 NW 18th Place